N.Y. STOCK EXCHANGE

SHAREOWNERSHIP 1980

Changing Patterns in the Public Ownership of U.S. Corporations

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Introduction

The Exchange's eighth Survey of Shareownership in America, detailing changes in public shareownership since mid-1975, shows a major reversal of the sharp downtrend that occurred during 1970-1975—and the second-highest total since we began estimating the U.S. shareowner population back in 1952. Between 1975 and 1980, the unduplicated number of individual Americans who directly own shares of corporate stock and stock mutual funds rebounded from 25,270,000 to an estimated 29,840,000—about one million short of the all-time high recorded in 1970. Over the most recent five-year period, some 6½ million individuals became shareowners for the first time, more than offsetting the 1.9 million who ceased to be shareowners—for a net increase of 4.6 million, or 18.1%.

But those figures do not begin to indicate the scope of participatory finance in this country. For example, the 30 million direct shareowners are members of households with a total population of some 48 million. In addition, an estimated 133 million Americans who do not own shares directly have an *indirect* stake in the stock market through the funds that are pooled and invested for them as pension plan beneficiaries, life insurance policyholders, and through other types of financial intermediaries.

Some of the other findings of the latest survey are equally significant. For example, the typical shareowner in 1980 is only 45½ years old—fully seven years younger than his or her counterpart in 1975 and, in fact, younger than at any time since the Exchange began conducting these surveys.

The latest survey also shows that the value of the typical adult shareowner's stock portfolio is less than half of what it was in 1975—$4,000 in 1980, compared with slightly more than $10,000 five years earlier. This is at least partly because a great many new shareowners started out with smaller portfolios. It may also reflect changes in investment strategies as investors sought to ease the impact of adverse economic factors over the past five years by switching some funds into other investment vehicles.

Another significant finding is that a great many new shareowners entered the market for the first time by way of employee stock purchase plans. In fact, roughly 40% of all shareowners today—some 12 million individuals—have obtained stock through such plans at some time, far more than ever before. This is encouraging because it suggests that corporations increasingly are recognizing the desirability of enabling employees to acquire a direct equity ownership in the companies that employ them.

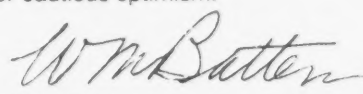
Several factors appear to have contributed to the resurgence of public shareownership. For one thing, the market's performance improved dramatically in 1979 and 1980, with the New York Stock Exchange Common Stock Index recording an all-time high on November 28, 1980. And rising stock prices almost always generate public interest in equity ownership.

In addition, more liberal treatment of capital gains has helped overcome some of the disincentives to shareownership that were embedded in the Federal tax structure five years earlier. And this, too, appears to have prompted many people to begin re-examining the advantages of shareownership as a hedge against inflation.

Moreover, the median age of the 6½ million people who have become shareowners since 1975 is only 36. This may very well be a sign that large numbers of younger people who were proclaiming their disenchantment with private enterprise capitalism a decade ago now recognize that our economic system, whatever its faults and problems, remains the best system that anyone has yet devised—and that it's worth participating in and preserving.

If that is indeed the case, it is the very best news we can glean from this survey. It suggests, certainly, that we can look forward to having a much stronger cadre of private enterprise capitalists to support our national efforts to overcome the economic problems that have been plaguing America—and to regain the road to a healthy, productive economy. But even if that *is* the case, we certainly have no cause for complacency. What we do have is a fresh opportunity to begin charting new policies aimed at restoring strength and vigor to our economy and a rising standard of living for all Americans.

That may be a great deal to read into the findings of this new shareownership survey. But the signs are encouraging, and we believe there is some justification for cautious optimism.



W.M. Batten
Chairman, New York Stock Exchange, Inc.

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Shareowner count recovers in last five years, with more than 4½ million joining the rolls.

The New York Stock Exchange's 1980 survey of shareownership shows a dramatic recovery of 4,570,000 individual owners of corporate stock and mutual funds since the depressed level of mid-1975. In fact, the latest figure—as of mid-1980—is only one million below the all-time high of 30,850,000 in early 1970.

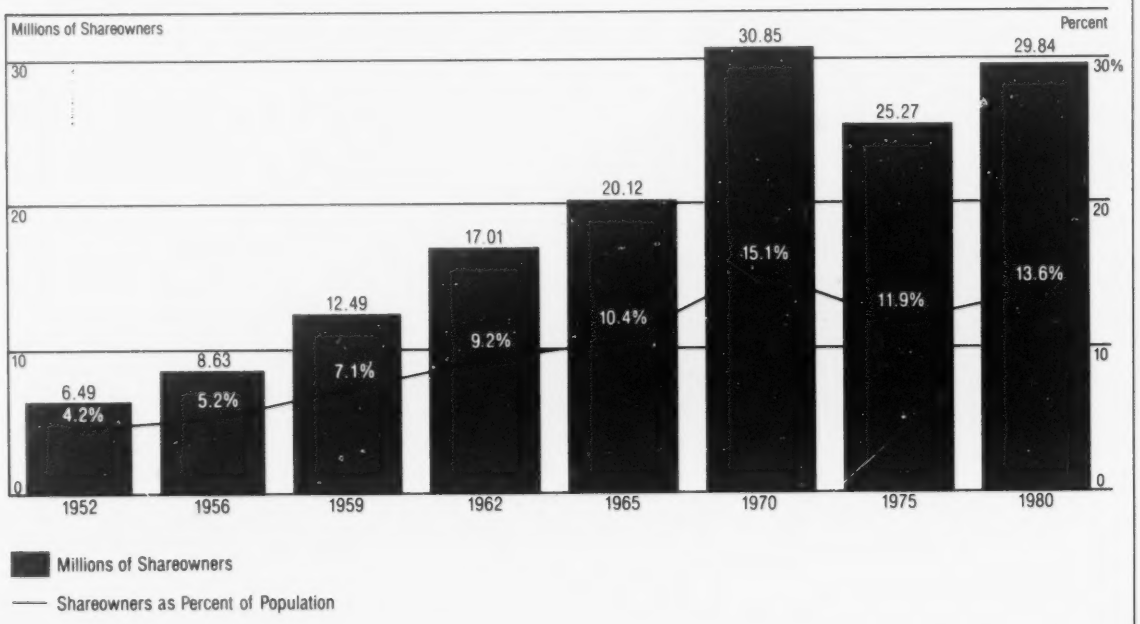
As of mid-1980, the shareowner population totaled 29,840,000, 18.1% above the figure of five years earlier. Looked at another way, the U.S. has 16,703,000 shareowning households, i.e. one out of every five U.S. households has at least one stockholder.

The recovery in shareownership occurred against a background of improving stock prices and tax changes of particular significance to investors—and despite the inflation, recessionary climate and high interest rates of 1980.

The restoration of more than 4½ million individuals to the ranks of America's shareowners put the growth in shareownership back on the long-term track that had seen the figures surge from fewer than 6½ million in 1952 to nearly 31 million in early 1970, but then suffer a sharp setback to 25¼ million in mid-1975.

The latest figure represents 13.6% of the total civilian U.S. population—a healthy recovery in the incidence rate of shareownership from 1975's 11.9%. In fact, the current rate is second only to the unusually high 15.1% that prevailed in 1970.

Shareownership Rebounds to Nearly Peak Level



Over-the-counter markets and stock exchanges show dramatic gains in shareowners.

Reversing the pattern of the 1970-1975 period, both the over-the-counter markets and the exchange markets experienced dramatic gains in shareownership in the past five years. Only stock mutual funds continued to suffer erosion in the ranks of their owners.

New York Stock Exchange issues benefited from the largest numerical jump in ownership—5,566,000. The 31% rise this represented was far outstripped by the nearly 66% surge in ownership of OTC stocks and better than 43% increase in owners of American Stock Exchange and regional exchange issues. These markets, which had had the worst drop-offs in ownership during the previous period, saw the best recovery as investors demonstrated a greater willingness to accept risk. Nevertheless, in absolute numbers, the combined growth of 4,167,000 owners in those markets fell far short of the rise in NYSE owners.

Stock mutual funds, which had seen years of net redemptions of their shares, not surprisingly, lost almost one-third of their individual owners. Their shareowner rolls fell by 2,370,000 between mid-1975 and mid-1980.

The data tabulated on the multi-market basis suggest that most owners of stock in other markets also own NYSE stocks. When looked at from an exclusive ownership perspective, the number of people who own no NYSE stocks but do own some other kind total only 5,511,000. Among all shareowners, those who own NYSE stocks *only* total 16,081,000. Owners of more than one type of stock (who primarily own at least one NYSE issue) number 8,248,000.

Total Shareowners of Public Corporations by Type of Security (Multi-market Basis)

	INDIVIDUAL SHAREOWNERS					
	Mid-1980		Mid-1975		Change From 1975 to 1980	
Security Type	Number of Shareowners	Percent of Total	Number of Shareowners	Percent of Total	Number of Shareowners	Percent Change
New York Stock Exchange-listed	23,520,000	78.8%	17,954,000	71.0%	5,566,000	31.0%
Other Stock Exchange-listed	2,775,000	9.3	1,935,000	7.7	840,000	43.4
Over-the-Counter	8,385,000	28.1	5,058,000	20.0	3,327,000	65.8
Stock Mutual Funds	4,915,000	16.5	7,285,000	28.8	(2,370,000)	(32.5)
Duplicated Shareowners*	**39,595,000**	**132.7**	**32,232,000**	**127.5**	**7,363,000**	**22.8**
Unduplicated Shareowners**	**29,840,000**	**100.0%**	**25,270,000**	**100.0%**	**4,570,000**	**18.1%**

*Shareowners counted on basis of number of different marketplaces represented in portfolio (maximum four; minimum one).
**Shareowner counted only once, regardless of number of marketplaces represented in portfolio.

Ownership by Type of Security—1980

Type of security	Number	Percent
NYSE-listed Only	16,081,000	53.9%
Other Listed Stock Only	369,000	1.2
Over-the-Counter Only	2,911,000	9.8
Stock Mutual Funds Only	2,231,000	7.5
Owners of More Than One Type of Security	8,248,000	27.6
TOTAL	**29,840,000**	**100.0%**

Median age of shareowners drops sharply, as younger people acquire stock for the first time.

The median age of all shareowners fell sharply from 52½ years in mid-1975 to 45½ years in mid-1980. In fact, nearly half of all shareowners are now under 45, compared with fewer than 35% that young in 1975. Also striking is the fact that nearly one out of every five adults (21 years of age and over) is a shareowner.

Although the number of minor shareowners also increased, their incidence in the U.S. population under 21 is only one in 33. In the generally high-earning, advanced career age categories of 45 through 64, the incidence of shareownership is nearly one in four—despite a decline of 300,000 owners in that group.

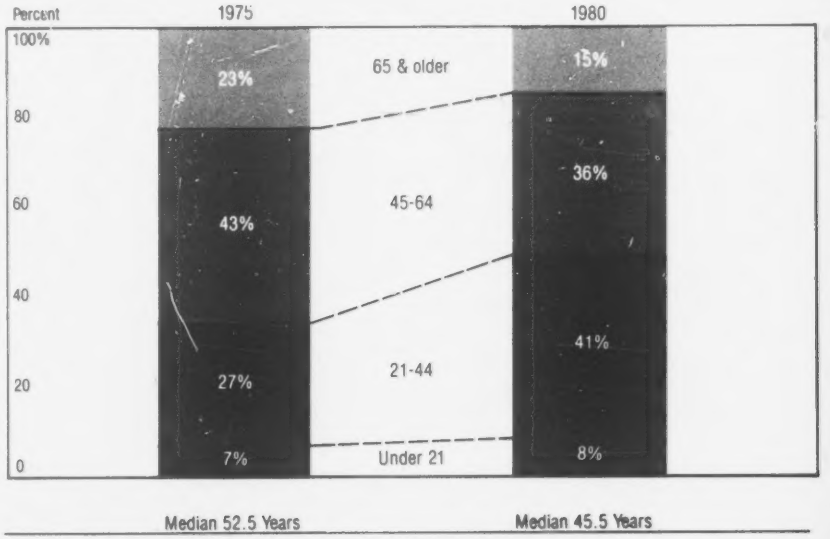
The senior citizen category, 65 years and older, typically made up of retired people and the widowed, suffered a substantial 22% drop as its ranks fell by 1,266,000. Many of these investors who are normally income-oriented may have been attracted to high-yielding bonds, bond mutual funds and money market funds in recent years.

The impact of new shareowners on the median age in 1980 is dramatized by the fact that 48% of all those adults who became owners for the first time since 1975 are under 35 years of age—as against 15% of veteran shareowners. This is a significant development for the future of risk-taking and equity investment, as younger investors are usually more willing and able to invest for long-term growth.

Total Shareowners of Public Corporations by AGE

	INDIVIDUAL SHAREOWNERS			
	Mid-1980		Mid-1975	
Age	Number	Percent of Total	Number	Percent of Total
Under 21 Years	2,280,000	7.6%	1,818,000	7.2%
21 to 44 Years	12,185,000	41.4	6,814,000	27.0
45 to 64 Years	10,474,000	35.6	10,774,000	42.8
65 Years & Older	4,534,000	15.4	5,800,000	23.0
Sub-Total	29,473,000	100.0%	25,206,000	100.0%
Not Classified by Age	367,000		64,000	
TOTAL	**29,840,000**		**25,270,000**	
Median Age All Shareowners:	45.5 Years		52.5 Years	
Median Age All Adults:	47.6 Years		53.6 Years	

Age of Shareowner Population Drops Dramatically over Five-Year Period



Male shareowners regain lead over female shareowners, with minor males making particularly sharp gains.

Despite the growing participation of women in the labor force and their increased financial independence, the number of female shareowners did not rise as much as did male owners in the past five years. Adult men outnumbered adult women on the nation's shareowner rolls by nearly half a million, for a margin of nearly two percentage points. Five years earlier, women had a slight lead.

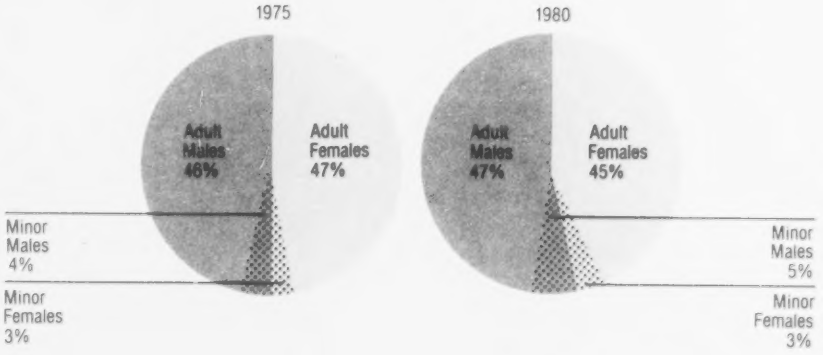
Even more striking is the gap between minor males and minor females—a difference of over 600,000 and a percentage difference of 64% to 36%. Apparently, boys are more likely to receive stock gifts under the Uniform Gifts to Minors Act. The popularity of this concept of stock gifts to minors is evident in the five-year increase from 1,818,000 minor owners to 2,280,000 in mid-1980.

Although the numbers of men and women shareowners are almost equal, men are far more important in other respects of stock market participation. The market value and number of shares they own is undoubtedly far larger, and they account for the preponderance of stock transactions. Moreover, since women tend to outlive men and inherit their holdings, their investment decision-making is often in the hands of male lawyers, bankers, brokers or relatives. Also, women are often nominal owners of stock via joint holdings with their husbands; in such cases, the husband is typically the financial decision-maker.

Total Shareowners of Public Corporations by SEX

	INDIVIDUAL SHAREOWNERS			
	Mid-1980		Mid-1975	
Sex	Number	Percent of Total	Number	Percent of Total
Adult Males	14,027,000	50.9%	11,634,000	49.7%
Adult Females	13,533,000	49.1	11,754,000	50.3
Sub-Total Adults	27,560,000	100.0%	23,388,000	100.0%
Minor Males	1,452,000	63.7	1,064,000	58.5
Minor Females	828,000	36.3	754,000	41.5
Sub-Total Minors	2,280,000	100.0%	1,818,000	100.0%
Not Classified by Sex	—		64,000	
TOTAL	**29,840,000**		**25,270,000**	

Male Shareowners Regain Lead over Females



Only one in fifteen adult shareowners has less than high school education.

The relationship between higher education and shareownership is evident from the fact that 72.8% of 1980's adult shareowners had gone beyond a high school education, compared with 65.0% in 1975. Nearly three out of every four adult shareowners had attended at least one year of college or business or technical school after graduating high school. On the other hand, barely one in fifteen did not complete high school. The median years of education for 1980's adult shareowners is 15.0 years—same as in 1975.

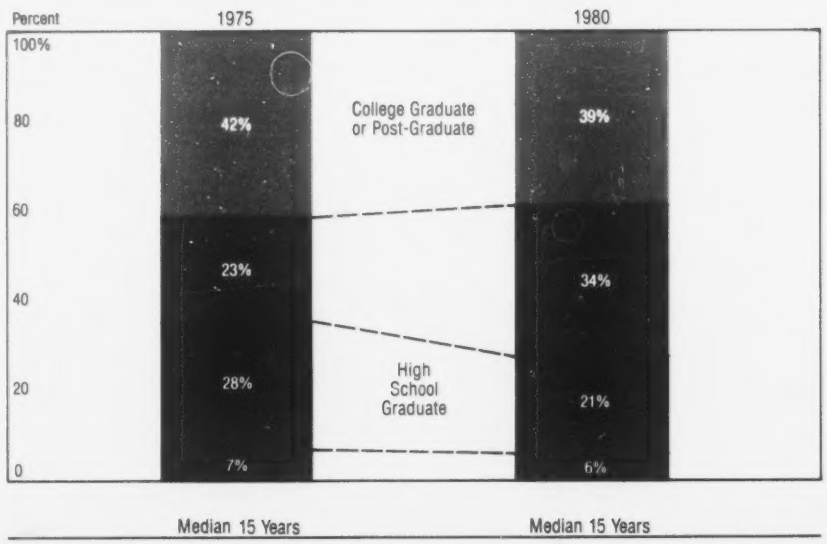
Ironically, the proportion of shareowners with college degrees dropped from 42.3% to 38.7% in 1980. What has apparently happened is a substantial increase in the number of shareowners who have attended business and technical schools and thus have beefed up the category of education *between* high school graduation and college graduation. This phenomenon may be related to the greater number of shareowners who made their first acquisition through employee purchase plans, many of whom may have attended business or technical schools after completing high school, to prepare themselves for non-professional careers.

Adult Shareowners of Public Corporations by EDUCATION

	INDIVIDUAL SHAREOWNERS			
	Mid-1980		Mid-1975	
Last Year of School Completed	Number	Percent of Total	Number	Percent of Total
3 Years High School or Less	1,725,000	6.3%	1,621,000	6.9%
4 Years High School	5,669,000	20.9	6,580,000	28.1
1 to 3 Years College*	9,242,000	34.1	5,301,000	22.7
4 Years College or More	10,486,000	38.7	9,886,000	42.3
Sub-Total	27,122,000	100.0%	23,388,000	100.0%
Minors	2,280,000		1,818,000	
Not Classified by Education	438,000		64,000	
TOTAL	**29,840,000**		**25,270,000**	

*Includes business and technical school

Educational Level of Adult Shareowners Holds Steady



Occupational breakdown of shareowners reflects labor force shifts.

Despite a decline of nearly 1.4 million, the "occupational" classification called "housewives, retired persons and non-employed adults," remained the largest group of shareowners. The drop from 40% of the total to 30% undoubtedly reflects the increased entry of housewives into the labor force, as well as the trend to later retirement.

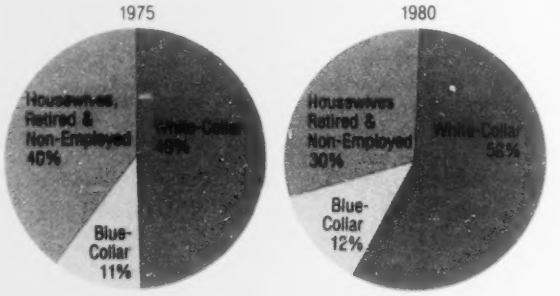
The next largest group, with nearly 23% of the total, is the professional and technical category numbering slightly over six million. Next in line with 20% of the total are the 5¼ million managers, officials and proprietors. Indeed, these two categories combined account for 72% of the increase in shareownership between mid-1975 and mid-1980.

Adult Shareowners of Public Corporations by OCCUPATION

	INDIVIDUAL SHAREOWNERS			
	Mid-1980		Mid-1975	
Occupation	Number	Percent of Total	Number	Percent of Total
Professional and Technical	6,024,000	22.8%	4,273,000	18.3%
Managers, Officials and Proprietors	5,259,000	19.9	3,726,000	15.9
Clerical and Sales	3,881,000	14.7	3,399,000	14.5
Craftsmen and Foremen	1,530,000	5.7	1,154,000	5.0
Operatives and Laborers	1,305,000	4.9	748,000	3.2
Service Workers	233,000	1.2	452,000	1.9
Farmers and Farm Laborers	145,000	0.5	234,000	1.0
Housewives, Retired Persons and Non-Employed Adults	8,011,000*	30.3	9,402,000	40.2
Sub-Total	26,388,000	100.0%	23,388,000	100.0%
Minors	2,280,000		1,818,000	
Not Classified by Occupation	1,172,000		64,000	
TOTAL	**29,840,000**		**25,270,000**	

*Includes 130,000 armed forces personnel.

Blue-Collar and White-Collar Shareownership Increases as More Adults Move Into Labor Force



Median household income of shareowners rises in keeping with income increases of general population.

Just as incomes generally have risen in the past five years in keeping with inflation, the median 1979 household income of America's adult shareowners has moved up to $27,750 from $19,000 five years earlier. The median household income for the population as a whole rose 48% during the period, while shareowners' household incomes increased 46%.

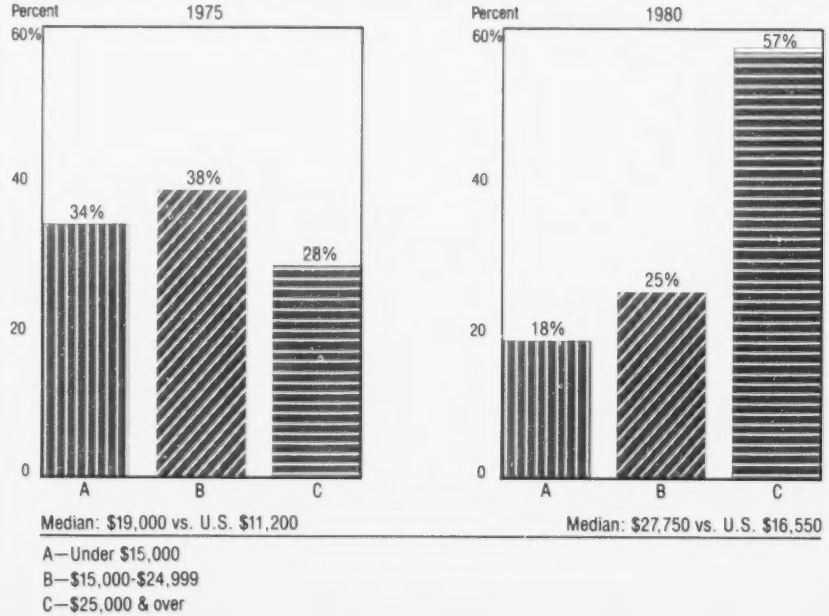
Particularly noteworthy is the fact that the number with household incomes of $25,000 and over represents 56.8% of the total, compared with 28.4% of 1975's shareowner total. Looked at another way, four our of five shareowners are in middle or upper-income households as against two out of three five years ago. The number of individuals in this category has grown by about 6,850,000.

Conversely, shareowners with household incomes below $15,000 dropped nearly 40% or more than 3,100,000.

Adult Shareowners of Public Corporations by HOUSEHOLD INCOME

	INDIVIDUAL SHAREOWNERS			
	Mid-1980		Mid-1975	
Household Income	Number	Percent of Total	Number	Percent of Total
$ Under $10,000	1,721,000	6.3%	3,416,000	14.6%
$10,000—$14,999	3,142,000	11.6	4,552,000	19.5
$15,000—$24,999	6,848,000	25.3	8,778,000	37.5
$25,000—$49,999	11,484,000	42.3	5,426,000	23.2
$50,000 and Over	3,935,000	14.5	1,216,000	5.2
Sub-Total	27,130,000	100.0%	23,388,000	100.0%
Minors	2,280,000		1,818,000	
Not Classified by Income	430,000		64,000	
TOTAL	**29,840,000**		**25,270,000**	

Adult Shareowner Household Incomes Move up with Inflation



A—Under $15,000
B—$15,000-$24,999
C—$25,000 & over

Median portfolio down sharply under impact of surge in new shareowners with small holdings.

Well over two-thirds of all adult shareowners had stock portfolios worth less than $10,000, compared with about half in mid-1975. If fact, the median portfolio—half of all adult shareowners above and half below—was $4,000, as against $10,100 five years earlier.

These figures are not attributable to declines in stock prices over the five-year span; in fact, every stock price index for every market was higher in mid-1980 than it was in mid-1975. What the numbers do reflect are significant structural shifts in the composition of ownership and the types of stocks owned. Among these factors are the following:

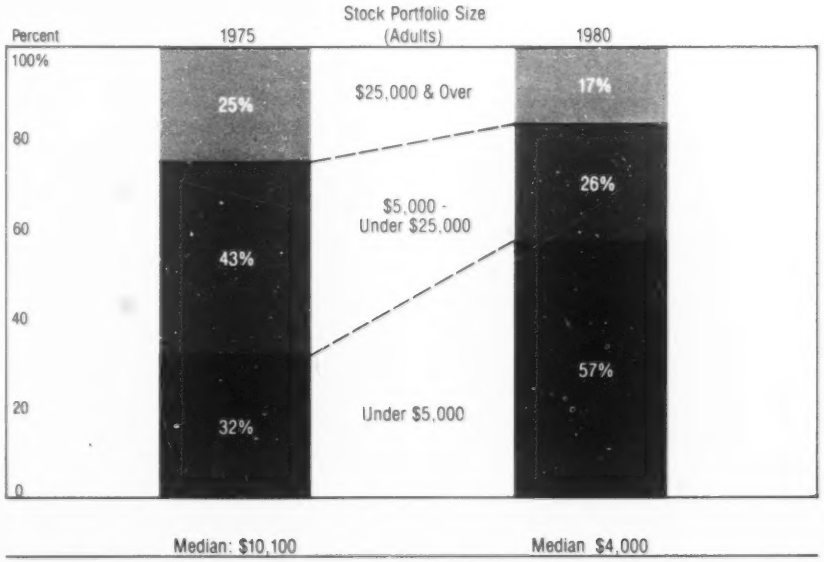
- Nearly 6½ million new adult shareowners, with a median stock portfolio of just a bit over $2,000.
- Increased interest in American Stock Exchange and over-the-counter securities which trade on average at prices about half those of NYSE stocks.
- Tremendous growth in participation in employee stock purchase plans which entail the regular acquisition of small amounts of stock.
- Reduction in the median age of shareowners as younger owners entered the markets for the first time, typically with a smaller investment than existing shareowners.
- Persistent partial liquidation of stock portfolios for investment in such new vehicles as money market funds and tax-free municipal bond funds—as well as tangible assets such as gold, silver, art, antiques and real estate.

Consequently, whereas in mid-1975 one-fourth of adult shareowners had portfolios worth more than $25,000, by mid-1980 this was true of only 17% of adult owners. Looked at another way, small investors—those with portfolios of less than $5,000—far outnumber all the others combined.

Adult Shareowners of Public Corporations by PORTFOLIO SIZE

	INDIVIDUAL SHAREOWNERS			
	Mid-1980		Mid-1975	
Portfolio Size	Number	Percent of Total	Number	Percent of Total
Under $5,000	14,937,000	57.0%	7,484,000	32.0%
$ 5,000 to $9,999	2,762,000	10.5	4,163,000	17.8
$10,000 to $24,999	4,068,000	15.5	5,832,000	24.9
$25,000 to $49,999	2,239,000	8.6	2,386,000	10.2
$50,000 and Over	2,197,000	8.4	3,523,000	15.1
Sub-Total	26,202,000	100.0%	23,388,000	100.0%
Minors	2,280,000		1,818,000	
Not Classified by Portfolio Size	1,358,000		64,000	
TOTAL	**29,840,000**		**25,270,000**	

Small Investors Far Outnumber Large Investors



More than half of U.S. shareowners live in large metropolitan areas.

Just as the population in general has continued to flock to large metropolitan areas, so have America's shareowners come to be concentrated in those areas. In mid-1980, well over half—15,632,000—of all shareowners were in Standard Metropolitan Statistical Areas (SMSAs) with populations of one million and over. This is an increase of five percentage points from mid-1975.

Only 16% of shareowners are located in non-metropolitan areas; another 17% can be found in smaller metropolitan areas—those with populations of less than half a million.

The incidence of shareownership is also much higher in larger metropolitan areas; 17% of the population in the largest SMSAs own stock, twice the proportion of those residing in non-metropolitan areas. Compared with 1975, the non-metropolitan incidence is virtually unchanged, but for the biggest areas it has moved up from 13.3% to 17.2%.

New York has recaptured its lead as the No. 1 shareowning SMSA, after having briefly relinquished it in 1975. It is followed by Chicago and Los Angeles-Long Beach. All three of these areas have more than 1.2 million shareowners; combined they account for one of every seven shareowners in the United States. Nearly 45% of all shareowners live in one of the top 25 metropolitan areas, compared with fewer than 42% in 1975—further illustrating the shift to larger population centers.

Shareowner Distribution by Size of Metropolitan Area

	INDIVIDUAL SHAREOWNERS						
	Mid-1980		Mid-1975		1980	1980	1975
Metropolitan Area Population*	Number	Percent of Total	Number	Percent of Total	Total Population By Metro-Area Size	Percent of Population in Each Metro-Area Size Who Are Shareowners	
1,000,000 & Over	15,632,000	52.4%	11,893,000	47.2%	90,771,000	17.2%	13.3%
500,000—999,999	4,396,000	14.7	3,257,000	12.9	29,545,000	14.9	13.4
250,000—499,999	2,949,000	9.9	2,691,000	10.7	24,745,000	11.9	12.3
100,000—249,999	1,924,000	6.4	2,059,000	8.2	15,932,000	12.1	12.4
Under 100,000	207,000	0.7	328,000	1.3	1,982,000	10.4	14.2
Metro Areas Total	25,108,000	84.1	20,228,000	80.3	162,975,000**	15.4	13.1
Non-Metro Areas	4,732,000	15.9	4,978,000	19.7	56,211,000**	8.4	8.4
TOTAL	**29,840,000**	**100.0%**	**25,206,000**	**100.0%**	**219,186,000**	**13.6%**	**11.8%**

*Based on Standard Metropolitan Statistical Area (SMSA) of the U.S. Bureau of the Census
**NYSE estimates based on U.S. Census and SALES & MARKETING MANAGEMENT data

Total Shareowners of Top 25 Metropolitan Areas

Metropolitan Area	Number of Shareowners	Population*	Percent Shareowners to Population
New York	1,672,000	9,266,000	18.0%
Chicago	1,335,000	6,998,000	19.1
Los Angeles—Long Beach	1,221,000	7,161,000	17.1
Detroit	811,000	4,372,000	18.5
Washington, D.C.	754,000	3,055,000	24.7
Philadelphia	710,000	4,772,000	14.9
Boston	700,000	3,902,000	17.9
San Francisco-Oakland	667,000	3,223,000	20.7
Houston	480,000	2,779,000	17.3
Nassau-Suffolk	472,000	2,700,000	17.5
Dallas-Ft. Worth	452,000	2,798,000	16.2
Anaheim-Santa Ana-Garden Grove	370,000	1,913,000	19.3
St. Louis	359,000	2,390,000	15.0
Cleveland	331,000	1,934,000	17.1
Minneapolis-St. Paul	325,000	2,075,000	15.7
Newark	313,000	1,939,000	16.1
Pittsburgh	297,000	2,250,000	13.2
Atlanta	297,000	1,907,000	15.6
Baltimore	288,000	2,158,000	13.3
San Jose	282,000	1,263,000	22.4
Seattle-Everett	270,000	1,527,000	17.7
Denver-Boulder	264,000	1,584,000	16.7
San Diego	245,000	1,841,000	13.3
Tampa-St. Petersburg	245,000	1,475,000	16.6
Miami	240,000	1,495,000	16.1

*NYSE Estimates based on U.S. Census Data.

New England only region to lose shareowners.

Every major geographic region of the country—except New England—gained shareowners between 1975 and 1980. The biggest percentage gainer, with a 30% jump, was the West South Central area—Arkansas, Louisiana, Oklahoma, and Texas.

As in 1975 the East North Central region was the geographic home of the largest number of shareowners. The industrial states of Illinois, Indiana, Michigan, Ohio and Wisconsin had 6,048,000 shareowners in mid-1980.

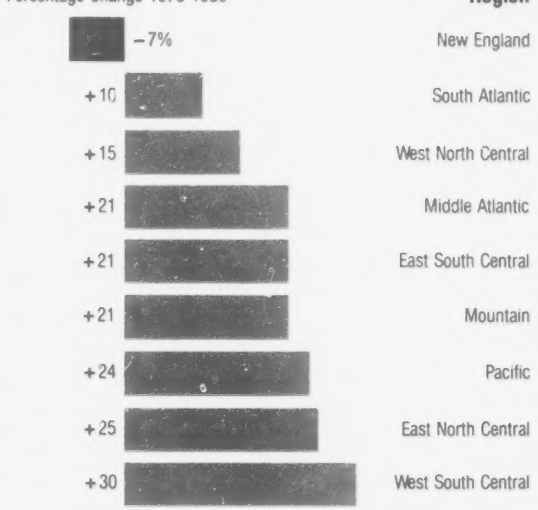
Although New England was the only region to suffer a loss, that loss was slight—154,000 shareowners. Its 1,915,000 remaining shareowners still left New England outranking the Mountain states (1,302,000) and the East South Central region (1,254,000).

While the No. 1 and No. 2 regions held on to their 1975 rankings, other shifts in rank did take place. The Pacific region moved up from No. 4 to No. 3, switching places with the South Atlantic area. And, the decline in New England enabled the West South Central region to move ahead of it into fifth place.

Total Shareowners of Public Corporations by REGION

REGION	INDIVIDUAL SHAREOWNERS Mid-1980 Number	Mid-1980 Percent of Total	Mid-1975 Number	Mid-1975 Percent of Total	Change from 1975 to 1980 Number of Shareowners	Change from 1975 to 1980 Percent Change	1980 Estimated Total U.S. Population by Region	Percent of Population in Each State Who Are Shareowners 1980	1975
New England	1,915,000	6.4%	2,069,000	8.2%	(154,000)	(7.4%)	12,216,000	15.7%	16.9%
Middle Atlantic	5,530,000	18.5	4,570,000	18.1	960,000	21.0	36,489,000	15.2	12.2
South Atlantic	4,439,000	14.9	4,041,000	16.0	398,000	9.8	34,957,000	12.7	12.1
East North Central	6,048,000	20.3	4,855,000	19.3	1,193,000	24.6	40,971,000	14.8	11.8
West North Central	1,984,000	6.6	1,728,000	6.9	256,000	14.8	17,060,000	11.6	10.2
East South Central	1,254,000	4.2	1,035,000	4.1	219,000	21.2	14,075,000	8.9	7.7
West South Central	2,545,000	8.5	1,953,000	7.7	592,000	30.3	22,438,000	11.3	9.4
Mountain	1,302,000	4.4	1,073,000	4.3	229,000	21.3	10,656,000	12.2	11.2
Pacific	4,823,000	16.2	3,882,000	15.4	941,000	24.2	30,324,000	15.9	13.9
Sub-Total U.S.	29,840,000	100.0%	25,206,000	100.0%	4,634,000	18.4%	219,186,000	13.6	11.8
Outside U.S.			64,000						
TOTAL	**29,840,000**	**100.0%**	**25,270,000**		**4,570,000**	**18.1%**			

New England Only Region to Lose Shareowners



Massachusetts only state in New England to show growth in shareownership.

Only Massachusetts, among the six New England states, showed an increase in shareownership between 1975 and 1980. Its increase of 83,000 or 9.9% however, was not enough to overcome the losses in the other five states. Consequently, the region as a whole suffered a decline of 154,000 shareowners or 7.4%.

The incidence of shareownership in Massachusetts is one in every six residents. More than three-fourths of the Bay State's shareowners are located in the Boston metropolitan area. Massachusetts, incidentally, accounts for nearly half of New England's shareownership population.

The overall decline in New England dropped that region from 8.2% of the nation's shareownership in mid-1975 to 6.4% five years later. The region's drop in shareownership was considerably greater than its less than 0.3% decline in total population. Between 1970 and 1975 New England also experienced a larger than average decline in shareownership.

Total Shareowners of Public Corporations by REGION and STATE

	INDIVIDUAL SHAREOWNERS						Change from 1975 to 1980		1980 Estimated Total U.S. Population by State	Percent of Population in Each State Who Are Shareowners	
	Mid-1980			Mid-1975							
	Rank	Number	Percent of Total	Rank	Number	Percent of Total	Number of Shareowners	Percent Change		1980	1975
NEW ENGLAND		**1,915,000**	**6.4%**		**2,069,000**	**8.2%**	**(154,000)**	**(7.4)%**	**12,216,000**	**15.7%**	**16.9%**
Connecticut	17	558,000	1.9	12	582,000	2.3	(24,000)	(4.1)	3,094,000	18.0	18.7
Maine	41	121,000	0.4	34	170,000	0.7	(49,000)	(28.8)	1,094,000	11.1	16.2
Massachusetts	10	922,000	3.1	10	839,000	3.4	83,000	9.9	5,725,000	16.1	14.3
New Hampshire	39	140,000	0.5	*35	159,000	0.6	(19,000)	(11.9)	888,000	15.8	19.4
Rhode Island	40	134,000	0.4	31	211,000	0.8	(77,000)	(36.5)	923,000	14.5	22.5
Vermont	51	40,000	0.1	41	108,000	0.4	(68,000)	(63.0)	492,000	8.1	22.7

* Indicates tie

New England

Middle Atlantic states show sharp gain in shareownership, picking up nearly one million since 1975.

The Middle Atlantic States rebounded vigorously from the loss of shareowners they experienced between 1970 and 1975. In the past five years they regained 960,000 shareowners and moved up from 18.1% of the nation's total to 18.5%. At the same time, the percentage of the population in the region who are shareowners surged from 12.2% of the total to 15.2%.

Among the three states in the region, New York is far and away the leader in number of shareowners; it also showed the largest increase since 1975—31%. New Jersey, however, has the highest incidence of shareownership with 18% of its population owning stock—sharply higher than its 14% incidence five years earlier.

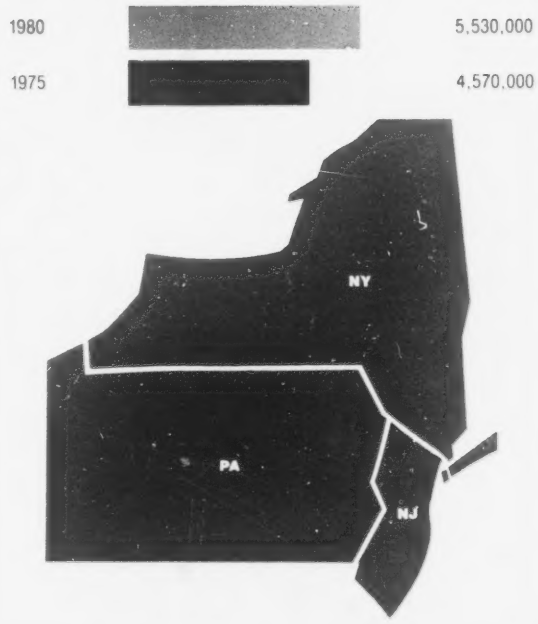
The Middle Atlantic region has five metropolitan areas among the top 25 for shareownership: New York, Philadelphia, Nassau-Suffolk, Newark, Pittsburgh. The New York metropolitan area regained the lead it had lost temporarily in 1975, while New York State remained second behind California in the ranking of shareowning states.

Among the other four metropolitan areas in the Middle Atlantic region, Newark and Pittsburgh lost shareowners while Philadelphia and Nassau-Suffolk gained. Nassau-Suffolk moved up to 10th place in the top 25 metropolitan areas from 14th five years ago, but the remaining three slipped back in the rankings, in keeping with their declines in total population (Nassau-Suffolk was virtually unchanged in population).

Total Shareowners of Public Corporations by REGION and STATE

	INDIVIDUAL SHAREOWNERS										
	Mid-1980			Mid-1975			Change from 1975 to 1980		1980 Estimated Total U.S. Population by State	Percent of Population in Each State Who Are Shareowners	
	Rank	Number	Percent of Total	Rank	Number	Percent of Total	Number of Shareowners	Percent Change		1980	1975
MIDDLE ATLANTIC		**5,530,000**	**18.5%**		**4,570,000**	**18.1%**	**960,000**	**21.0%**	**36,489,000**	**15.2%**	**12.2%**
New Jersey	8	1,307,000	4.4	9	1,036,000	4.1	271,000	26.2	7,263,000	18.0	14.0
New York	2	2,698,000	9.0	2	2,055,000	8.1	643,000	31.3	17,584,000	15.3	11.3
Pennsylvania	5	1,525,000	5.1	4	1,479,000	5.9	46,000	3.1	11,642,000	13.1	12.4

Middle Atlantic



South Atlantic region shows gain in share-ownership, though Florida and Delaware slip back.

The South Atlantic region as a whole experienced nearly a 10% gain in shareownership between 1975 and 1980. Only two of the states in the region—Florida and Delaware lost shareowners. These declines were enough to drop the two states from 6th and 38th place, respectively, to 9th and 44th in the ranking of all states.

This region generally has a below average incidence of shareownership, with barely one out of every eight people owning stock, although it did improve slightly over 1975. Maryland has the highest incidence in the region—nearly 16% of its residents being shareowners.

Among the major metropolitan areas in this region, the following made the list of top 25 in share-ownership ranking: Washington, D.C. (5), Atlanta (18), Baltimore (19), Tampa-St. Petersburg (24), Miami (25). The nation's capital showed the largest increase—up 51% during the five-year period. Miami failed to make the top 25 list in 1975, but squeezed onto it this time.

Florida's loss of shareowners, though small, appears surprising when viewed against the state's increase in total population. What may very well have happened was a shift in investment vehicles by many of Florida's older, retired residents. As fixed-income investments such as bonds and money market funds offered higher and higher yields, these investors may have been tempted to liquidate their stock portfolios for the greater income available elsewhere. Other Florida investors may have shifted funds into what was a booming real estate market a few years ago.

Total Shareowners of Public Corporations by REGION and STATE

	INDIVIDUAL SHAREOWNERS Mid-1980			Mid-1975			Change from 1975 to 1980		1980 Estimated Total U.S. Population by State	Percent of Population in Each State Who Are Shareowners	
	Rank	Number	Percent of Total	Rank	Number	Percent of Total	Number of Shareowners	Percent Change		1980	1975
SOUTH ATLANTIC		**4,439,000**	**14.9%**		**4,041,000**	**16.0%**	**398,000**	**9.8%**	**34,957,000**	**12.7%**	**12.1%**
Delaware	44	88,000	0.3	38	131,000	0.5	(43,000)	(32.8)	581,000	15.1	22.5
Dist. of Columbia	38	148,000	0.5	42	94,000	0.4	54,000	57.4	654,000	22.6	13.1
Florida	9	1,240,000	4.2	6	1,263,000	5.0	(23,000)	(1.8)	8,860,000	14.0	15.3
Georgia	18	554,000	1.9	18	428,000	1.7	126,000	29.4	5,110,000	10.8	8.7
Maryland	13	658,000	2.2	14	560,000	2.2	98,000	17.5	4,138,000	15.9	13.5
North Carolina	14	606,000	2.0	13	573,000	2.3	33,000	5.8	5,609,000	10.8	10.7
South Carolina	30	271,000	0.9	30	214,000	0.8	57,000	26.6	2,936,000	9.2	7.6
Virginia	12	667,000	2.2	11	636,000	2.5	31,000	4.9	5,204,000	12.8	12.9
West Virginia	32	207,000	0.7	37	142,000	0.6	65,000	45.8	1,865,000	11.1	7.8

South Atlantic

East North Central region widens lead in shareownership ranking.

With a 25% gain since 1975, the East North Central region widened its lead as the most populous shareownership section of the country. The total of 6,048,000 gives the five states in this area one-fifth of the nation's total shareowners. Illinois has the largest number in the region with 1,859,000 (ranking it third in the country), but Indiana had the biggest percentage increase—a 38% jump since 1975.

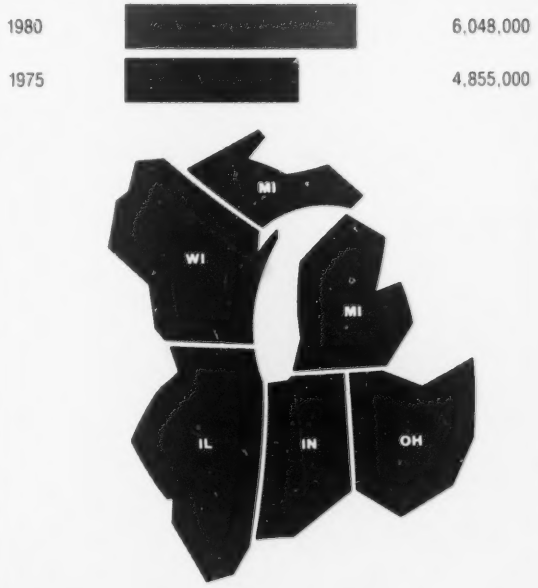
Three of the top 25 metropolitan areas, in terms of shareownership, are located in the East North Central region. All three showed solid increases in the past five years, although Chicago's was not enough to allow it to keep its 1975 lead over New York. Behind No. 2 Chicago were Detroit in fourth place and Cleveland in 14th. Five years earlier, Detroit had ranked fifth and Cleveland 16th.

In the face of a slight overall population decline since 1975, the sharp rise in the region's shareownership population may seem surprising. As the industrial heartland of America, this is the region where the growing importance of employee stock purchase plans would be most likely to have an influence. Every one of the states showed an increase of at least 20%, compared with the national average of 18%. As a result, four of the five states in the region moved up in the national ranking while the fifth held steady.

Total Shareowners of Public Corporations by REGION and STATE

	INDIVIDUAL SHAREOWNERS										
	Mid-1980			Mid-1975			Change from 1975 to 1980		1980 Estimated Total U.S. Population by State	Percent of Population in Each State Who Are Shareowners	
	Rank	Number	Percent of Total	Rank	Number	Percent of Total	Number of Shareowners	Percent Change		1980	1975
EAST NORTH CENTRAL		**6,048,000**	**20.3%**		**4,855,000**	**19.3%**	**1,193,000**	**24.6%**	**40,971,000**	**14.8%**	**11.8%**
Illinois	3	1,859,000	6.2	3	1,523,000	6.0	336,000	22.1	11,138,000	16.7	13.6
Indiana	11	713,000	2.4	16	516,000	2.1	197,000	38.2	5,328,000	13.4	9.6
Michigan	7	1,392,000	4.7	8	1,157,000	4.6	235,000	20.3	9,123,000	15.3	12.7
Ohio	6	1,504,000	5.0	7	1,205,000	4.8	299,000	24.8	10,695,000	14.1	11.2
Wisconsin	15	580,000	1.9	17	454,000	1.8	126,000	27.8	4,687,000	12.4	9.8

East North Central



West North Central region registers 15% gain in shareownership.

Kansas was the only state in the essentially agriculturally-oriented West North Central region not to have an increase in shareownership between 1975 and 1980. Minnesota accounted for more than half of the 256,000 gain in the region as a whole.

In 1975 three metropolitan areas in this region made the roster of the top 25. The Kansas City area dropped out of the list in 1980; Minneapolis-St. Paul remained on the list with a 34% increase and St. Louis with a 13% increase. Thus, St. Louis held on to 13th place, while the Twin Cities moved up from 20th to 15th.

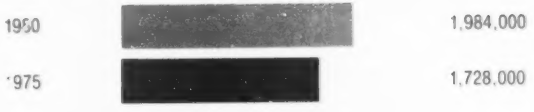
Because the shareowner population rose 15% while the general population was up only 1%, the incidence of shareownership improved considerably in the West North Central region. The percentage of the population who are shareowners rose to 11.6% from 10.2% in 1975. Among the individual states in the region, Iowa has the highest incidence—12.8%.

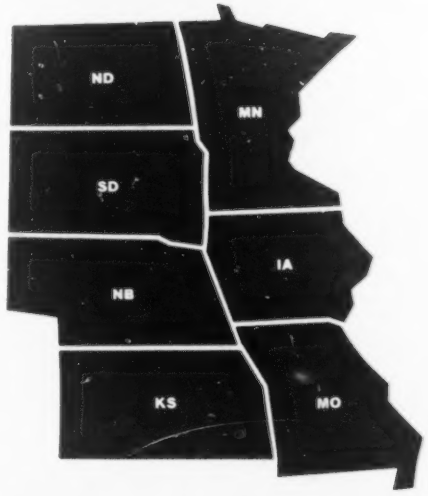
Total Shareowners of Public Corporations by REGION and STATE

	INDIVIDUAL SHAREOWNERS						Change from 1975 to 1980		1980 Estimated Total U.S. Population by State	Percent of Population in Each State Who Are Shareowners	
	Mid-1980			Late 1975							
	Rank	Number	Percent of Total	Rank	Number	Percent of Total	Number of Shareowners	Percent Change		1980	1975
WEST NORTH CENTRAL		**1,984,000**	**6.5%**		**1,728,000**	**6.9%**	**256,000**	**14.8%**	**17,060,000**	**11.6%**	**10.2%**
Iowa	24	370,000	1.2	28	274,000	1.1	96,000	35.0	2,892,000	12.8	9.5
Kansas	31	226,000	0.8	24	287,000	1.1	(61,000)	(21.3)	2,365,000	9.6	12.5
Minnesota	20	509,000	1.7	20	370,000	1.5	139,000	37.6	4,028,000	12.6	9.4
Missouri	16	562,000	1.9	15	558,000	2.2	4,000	0.7	4,846,000	11.6	11.6
Nebraska	34	186,000	0.6	33	178,000	0.7	8,000	4.5	1,573,000	11.8	11.4
North Dakota	*48	64,000	0.2	51	22,000	0.1	42,000	190.9	661,000	9.7	3.4
South Dakota	47	67,000	0.2	*48	39,000	0.2	28,000	71.8	695,000	9.6	5.6

*Indicates tie

West North Central





East South Central states improve across-the-board in shareownership measures.

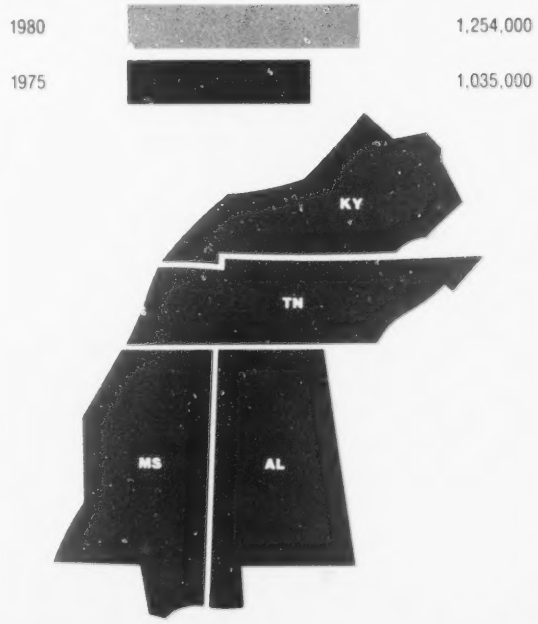
Although it is not the region with the smallest population in the United States, the East South Central region has traditionally been the region with the smallest number of shareowners. This was still true in 1980, but the area did gain 219,000 shareowners. In fact, every state in the region had a healthy increase. One-third of the increase in the region was accounted for by Kentucky. Significantly, too, the incidence of shareownership in the population improved in every one of the four states—though it still remains far below the national average.

None of the metropolitan areas in the region are large enough to have made the list of top 25 in shareownership.

Total Shareowners of Public Corporations by REGION and STATE

	INDIVIDUAL SHAREOWNERS						Change from 1975 to 1980		1980 Estimated Total U.S. Population by State	Percent of Population in Each State Who Are Shareowners	
	Mid-1980			Mid-1975							
	Rank	Number	Percent of Total	Rank	Number	Percent of Total	Number of Shareowners	Percent Change		1980	1975
EAST SOUTH CENTRAL		**1,254,000**	**4.2%**		**1,035,000**	**4.1%**	**219,000**	**21.2%**	**14,075,000**	**8.9%**	**7.7%**
Alabama	27	338,000	1.1	25	286,000	1.1	52,000	18.2	3,774,000	9.0	8.0
Kentucky	26	350,000	1.2	27	277,000	1.1	73,000	26.4	3,516,000	10.0	8.2
Mississippi	35	163,000	0.5	39	130,000	0.5	33,000	25.4	2,407,000	6.8	5.6
Tennessee	21	403,000	1.4	21	342,000	1.4	61,000	17.8	4,378,000	9.2	8.2

East South Central



West South Central region has biggest percentage gain in shareownership.

The four states making up the West South Central region—the heart of the energy industry in this country—had the largest percentage increase in shareownership of any region, up 30% vs. an average of 18% for the nation as a whole. Louisiana had the largest percentage gain in the region, while Texas had the biggest numerical increase. Oklahoma, on the other hand, suffered a small loss in shareowners.

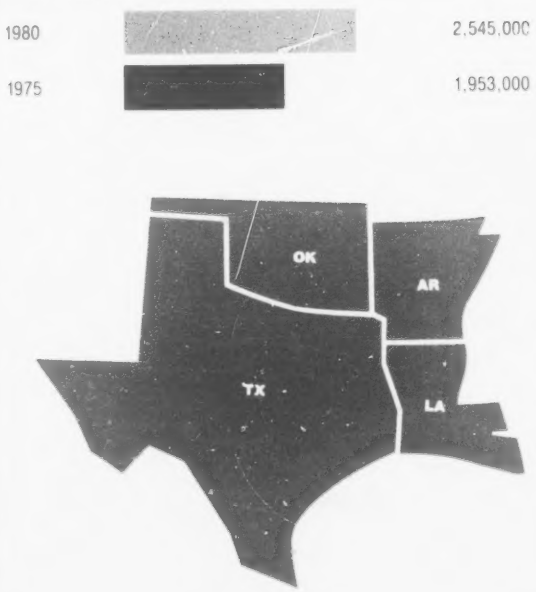
The gain for the region as a whole was so large—a net addition of 592,000 individual shareowners between 1975 and 1980—that the incidence of shareowners in the overall population of the region jumped by nearly two full percentage points. It moved up from 9.4% to 11.3%. Texas, in raising its incidence figure from 10.6% of its population owning stock to 12.4%, also raised its numerical ranking among the states from 5th to 4th.

Just as it did five years ago, the region contributes two metropolitan areas to the list of top 25 in the country: Houston with 480,000 shareowners and Dallas-Fort Worth with 452,000. Houston remained in 9th position, but Dallas-Fort Worth inched up a notch from 12th to 11th.

Total Shareowners of Public Corporations by REGION and STATE

	INDIVIDUAL SHAREOWNERS									Percent of Population in Each State Who Are Shareowners	
	Mid-1980			Mid-1975			Change from 1975 to 1980		1980 Estimated Total U.S. Population by State		
	Rank	Number	Percent of Total	Rank	Number	Percent of Total	Number of Shareowners	Percent Change		1980	1975
WEST SOUTH CENTRAL		**2,545,000**	**8.5%**		**1,953,000**	**7.7%**	**592,000**	**30.3%**	**22,437,000**	**11.3%**	**9.4%**
Arkansas	33	206,000	0.7	*35	159,000	0.6	47,000	29.6	2,198,000	9.4	7.6
Louisiana	*22	385,000	1.3	32	179,000	0.7	206,000	115.1	3,985,000	9.7	4.7
Oklahoma	29	300,000	1.0	23	320,000	1.3	(20,000)	(6.3)	2,938,000	10.2	11.8
Texas	4	1,654,000	5.5	5	1,295,000	5.1	359,000	27.7	13,317,000	12.4	10.6

*Indicates tie



Only Montana loses shareowners among Mountain region states.

The least populated section of the country—the eight states of the Mountain region—had an above average increase in shareownership in the past five years. Every state in the region except Montana showed gains, though none of the gains were larger than Arizona's 70,000. Noteworthy was the one percentage point improvement in the region's incidence of shareownership—from 11.2% to 12.2%.

In this sparsely-settled region, two states—Arizona and Colorado—account for 49% of the total population but 57% of the shareowners. In fact, Denver-Boulder is the only metropolitan area in the region to make the list of top 25. The 34% increase in that metropolitan area's shareowners moved it up from 23rd on the list to 22nd. What is particularly striking is that one out of every five shareowners in the entire eight-state region is located in the Denver-Boulder area. That area in the past year has seen a tremendous surge of interest in investment and speculation in small energy stocks operating in the Rocky Mountain region.

Total Shareowners of Public Corporations by REGION and STATE

	INDIVIDUAL SHAREOWNERS						Change from 1975 to 1980		1980 Estimated Total U.S. Population by State	Percent of Population in Each State Who Are Shareowners	
	Mid-1980			Mid-1975							
	Rank	Number	Percent of Total	Rank	Number	Percent of Total	Number of Shareowners	Percent Change		1980	1975
MOUNTAIN		**1,302,000**	**4.4%**		**1,073,000**	**4.3%**	**229,000**	**21.3%**	**10,656,000**	**12.2%**	**11.2%**
Arizona	25	355,000	1.2	26	285,000	1.1	70,000	24.6	2,468,000	14.4	12.9
Colorado	*22	385,000	1.3	22	337,000	1.3	48,000	14.2	2,754,000	11.0	13.3
Idaho	45	72,000	0.2	46	62,000	0.2	10,000	16.1	905,000	8.0	7.7
Montana	46	68,000	0.2	44	79,000	0.3	(11,000)	(13.9)	792,000	8.6	10.6
Nevada	43	114,000	0.4	45	66,000	0.3	48,000	72.7	701,000	16.3	11.4
New Mexico	42	117,000	0.4	43	90,000	0.4	27,000	30.0	1,234,000	9.5	7.9
Utah	37	150,000	0.5	40	115,000	0.5	35,000	30.4	1,349,000	11.1	9.6
Wyoming	50	41,000	0.1	*48	39,000	0.2	2,000	5.1	453,000	9.1	10.7

*Indicates tie

Mountain

California easily holds lead as No. 1 shareownership state.

With an increase of 18%—in line with the overall national gain—California easily held on to the No. 1 spot as the state with the most shareowners. Its gain of 566,000 to 3,718,000 still left it below the high in early 1970 of 3,833,000 shareowners. Also noteworthy was the improvement in the incidence of shareownership in California to 16.4% from 15.0% in mid-1975.

The Pacific region as a whole gained 941,000 over the five-year period, for the third biggest increase among the various geographic regions in the country. Its percentage rise was also third largest. The incidence of shareownership in the region rose by two full percentage points to just under 16%.

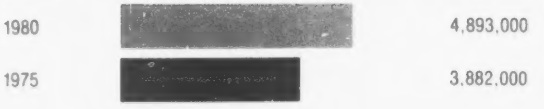
In 1975 the Los Angeles-Long Beach metropolitan area ranked second in the nation in number of shareowners. Despite an increase of nearly 200,000 in the intervening five years, that area slipped to third place in 1980. The Pacific region has more metropolitan areas in the ranks of the top 25 than any other section of the country. Besides Los Angeles-Long Beach, its top six are—in rank order—San Francisco-Oakland, Anaheim-Santa Ana-Garden Grove, San Jose, and San Diego in California; and Seattle-Everett in Washington state. Moreover, every one of these metropolitan areas showed shareownership increases over the past five years. In California, 75% of the state's shareowners live in one of these five top metropolitan areas.

Total Shareowners of Public Corporations by REGION and STATE

	INDIVIDUAL SHAREOWNERS						Change from 1975 to 1980		1980 Estimated Total U.S. Population by State	Percent of Population in Each State Who Are Shareowners	
	Mid-1980			Mid-1975							
	Rank	Number	Percent of Total	Rank	Number	Percent of Total	Number of Shareowners	Percent Change		1980	1975
PACIFIC		**4,823,000**	**16.2%**		**3,882,000**	**15.4%**	**941,000**	**24.2%**	**30,324,000**	**15.9%**	**13.9%**
Alaska	*48	64,000	0.2	50	27,000	0.1	37,000	137.0	417,000	15.3	7.8
California	1	3,718,000	12.5	1	3,152,000	12.5	566,000	18.0	22,623,000	16.4	15.0
Hawaii	36	162,000	0.5	47	58,000	0.3	104,000	179.3	908,000	17.8	6.7
Oregon	28	333,000	1.1	29	263,000	1.0	70,000	26.6	2,507,000	13.3	11.5
Washington	19	546,000	1.8	19	382,000	1.5	164,000	42.9	3,869,000	14.1	11.0

*Indicates tie

Pacific



New shareowners much younger than veteran shareowners.

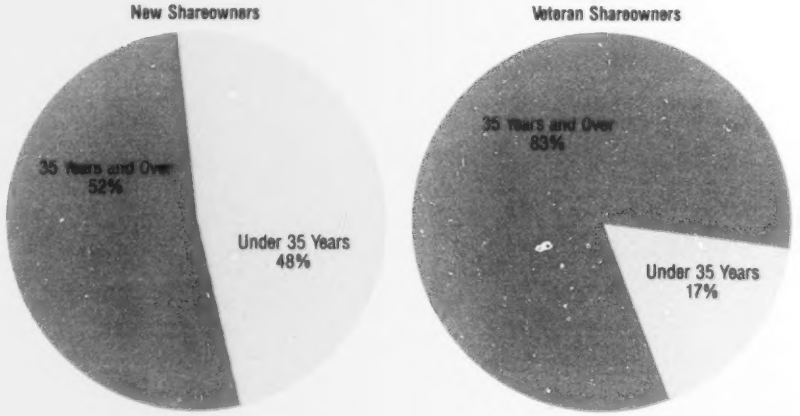
New adult shareowners investing in stock for the first time since 1975 are far younger than veteran adult shareowners who made their first stock acquisition prior to 1975. This is highlighted by respective median ages of 36 and 51. Moreover, nearly 70% of the new adult owners are *less than* 45 years of age, while over 60% of the veterans are 45 or older.

But, what is especially striking is the fact that nearly half of the 6½ million new owners are below 35 years of age. The combination of all these figures pulled the median age of all shareowners down 7 years between 1975 and 1980. The advent of so many new, younger investors who would generally not be as conservative as older investors may make it easier for American industry to raise capital for its risk ventures in the future. Younger investors are more likely to be growth-minded in their investment objectives than are older investors concerned with preservation of their capital or bolstering their retirement income.

New vs. Veteran Adult Shareowners of Public Corporations by AGE

	Mid-1980			
	New Shareowners		Veteran Shareowners	
Age	Number	Percent of Total	Number	Percent of Total
21 to 34	3,144,000	48.5%	3,302,000	16.6%
35 to 44	1,338,000	20.6	4,250,000	21.4
45 to 54	920,000	14.2	4,309,000	21.7
55 to 64	688,000	10.6	4,189,000	21.0
65 Years & Older	393,000	6.1	3,842,000	19.3
Sub-Total	6,483,000	100%	19,892,000	100.0%
Not Classified by Age	—		340,000	
TOTAL	**5,483,000**		**20,232,000**	
Median Age	35.7 Years		50.6 Years	

New Shareowners Much Younger than Veteran Shareowners



Females outnumber males among new adult shareowners.

Probably reflecting the greater numbers of women entering the labor force in recent years and having their own earnings to invest, females outnumber males among the new adult shareowners by 55% to 45%. The greater number of females among the new owners was not sufficient to overcome the overall lead of men among the nation's adult shareowners. Among veteran adult shareowners, men predominated by roughly 52½% to 47½%.

Higher proportion of single people among new shareowners.

Non-married people account for a higher proportion of new adult shareowners than is the case among veteran adult shareowners. Among the new owners, 17% are single and 10% are divorced. By contrast, only 12% of the veteran owners are single or divorced. However, not surprisingly, relatively more veteran owners are widowed—7.3% vs. 2.4% among new owners.

The great bulk of shareowners—more than three-fourths—are married. But fewer than 70% of new shareowners are married, as against nearly 80% of the veteran owners. Also, among *all* adult shareowners, 84% of the males are married but only 66% of the females have husbands. The proportion of widows and divorcees is much higher among females, on the other hand.

New vs. Veteran Adult Shareowners of Public Corporations by SEX

	Mid-1980			
	New Shareowners		Veteran Shareowners	
Sex	Number	Percent of Total	Number	Percent of Total
Male	2,901,000	44.7%	10,646,000	52.6%
Female	3,582,000	55.3	9,586,000	47.4
TOTAL	**6,483,000**	**100.0%**	**20,232,000**	**100.0%**

New vs. Veteran Adult Shareowners of Public Corporations by MARITAL STATUS

	Mid-1980			
	New Shareowners		Veteran Shareowners	
Marital Status	Number	Percent of Total	Number	Percent of Total
Married	4,497,000	69.3%	15,742,000	79.1%
Single	1,110,000	17.1	1,783,000	8.9
Separated	97,000	1.5	294,000	1.5
Widowed	153,000	2.4	1,450,000	7.3
Divorced	626,000	9.7	631,000	3.2
Sub-Total	6,483,000	100.0%	19,900,000	100.0%
Not Classified by Marital Status			332,000	
TOTAL	**6,483,000**		**20,232,000**	

Educational level of new and veteran shareowners similar.

Both adult new shareowners and veteran shareowners have completed a median of about 15 years of education. Fewer than 36% of the new owners have had four years of college or more, compared with over 40% of the veterans. But, a larger percentage of the new owners have gone beyond high school to a business or technical school and some college.

Occupational breakdowns show wide variations between new and veteran shareowners.

More so than is the case with other demographic characteristics, the occupational distribution between adult new and veteran shareowners varies widely. First of all, about 16% of new shareowners are in what could be termed "blue-collar" occupations, as against only 10% of the veteran owners. Secondly, the category of "housewives, retired persons and non-employed adults" is the largest group, both numerically and in percentage terms, among the veterans. The reason is that the incidence of retired people is considerably higher—not surprising in light of the older age distribution of the veteran owners.

In addition, while the new shareowners have a relatively high proportion among professional and technical occupations, they are greatly under-represented among managers, officials and proprietors. A relatively large number of new owners appear in the clerical and sales classification of jobs. Thus, new shareowners are more likely to be in lower-paying jobs—providing them with lower incomes and less wherewithal to acquire large stock portfolios. The veteran owners, on the other hand, include large numbers of executives and entrepreneurs who are likely to be more affluent than the newer owners.

New vs. Veteran Adult Shareowners of Public Corporations by EDUCATION

	Mid-1980			
	New Shareowners		Veteran Shareowners	
Last Year of School Completed	Number	Percent of Total	Number	Percent of Total
3 Years High School or Less	564,000	8.7%	1,009,000	5.1%
4 Years High School	1,095,000	17.0	4,331,000	21.8
1 to 3 Years College	2,494,000	38.6	6,493,000	32.7
4 Years College or More	2,303,000	35.7	8,016,000	40.4
Sub-Total	6,456,000	100%	19,849,000	100.0%
Not Classified by Education	27,000		383,000	
TOTAL	**6,483,000**		**20,232,000**	
Median Years of Education	14.9 Years		15.1 Years	

New vs. Veteran Adult Shareowners of Public Corporations by OCCUPATION

	Mid-1980			
	New Shareowners		Veteran Shareowners	
Occupation	Number	Percent of Total	Number	Percent of Total
Professional and Technical	1,924,000	30.3%	3,991,000	20.8%
Managers, Officials and Proprietors	838,000	13.2	4,236,000	22.1
Clerical and Sales	1,418,000	22.3	2,434,000	12.7
Craftsmen and Foremen	390,000	6.1	1,141,000	5.9
Operatives and Laborers	531,000	8.4	700,000	3.6
Service Workers	82,000	1.3	120,000	0.6
Farmers and Farm Laborers	—	—	145,000	0.8
Housewives, Retired Persons and Non-Employed Adults	1,171,000	18.4	6,423,000	33.5
Sub-Total	6,354,000	100.0%	19,190,000	100.0%
Not Classified by Occupation	129,000		1,042,000	
TOTAL	**6,483,000**		**20,232,000**	

New shareowners have household income 10% below veteran shareowners.

With a 1979 median household income of $25,900, new adult shareowners earn about 10% less than veteran adult shareowners with their $28,550 median. Relatively few owners in both categories have household incomes below $10,000.

If $25,000 is used as a dividing line, the distinction between new and veteran shareowners becomes rather clear. Among the obviously less affluent new owners, 47.8% have incomes of under $25,000, while only 40.8% of the veteran owners fall below that line. Conversely, 59.2% of the veteran owners have incomes of $25,000 and more, compared with 52.2% of the new shareowners.

These statistics are compatible with the younger ages of new shareowners. Still at relatively early stages in their business or professional careers, the newer shareowners are more likely to be on lower rungs of the income scale.

Newer shareowners have much smaller stock portfolios than veterans.

The comparatively lower economic status of new adult shareowners is abundantly clear from the smaller size of their stock portfolios. Veteran adult shareowners have a median stock portfolio approaching $5,000, while the new shareowners' median portfolio is barely over $2,000.

At the lower end, more than 60% of new shareowners have stock portfolios worth less than $2,500. This is true only with one-third of the veteran shareowners. At the other extreme, fewer than 1-in-10 new shareowners owns $25,000 or more of stock, but among veteran shareowners, the comparable ratio is 1-in-5.

As is the case with the income distributions, the newer shareowners are generally too young to have worked their way up the income scale sufficiently to have substantial amounts of discretionary funds to invest in the stock market. In addition, their stockholdings may be too new to have had a chance to appreciate to as great an extent as would be the case with the portfolios of many veteran owners.

New vs. Veteran Adult Shareowners of Public Corporations by HOUSEHOLD INCOME

	Mid-1980			
	New Shareowners		Veteran Shareowners	
Household Income	Number	Percent of Total	Number	Percent of Total
Under $10,000	476,000	7.3%	1,162,000	5.9%
$10,000 — $14,999	787,000	12.1	2,190,000	11.0
$15,000 — $24,999	1,843,000	28.4	4,737,000	23.9
$25,000 — $49,999	2,676,000	41.4	8,627,000	43.4
$50,000 and Over	701,000	10.8	3,145,000	15.8
Sub-Total	6,483,000	100.0%	19,861,000	100.0%
Not Classified by Income	—		371,000	
TOTAL	**6,483,000**		**20,232,000**	
Median Household Income	$25,900		$28,550	

New vs. Veteran Adult Shareowners of Public Corporations by PORTFOLIO SIZE

	Mid-1980			
	New Shareowners		Veteran Shareowners	
Portfolio Size	Number	Percent of Total	Number	Percent of Total
Under $2,500	3,846,000	60.6%	6,365,000	33.2%
$ 2,500 — $ 4,999	1,005,000	15.8	3,344,000	17.4
$ 5,000 — $ 9,999	408,000	6.4	2,300,000	12.0
$10,000 — $24,999	530,000	8.4	3,430,000	17.9
$25,000 — $49,999	217,000	3.4	1,959,000	10.2
$50,000 and Over	341,000	5.4	1,797,000	9.3
Sub-Total	6,347,000	100.0%	19,195,000	100.0%
Not Classified by Stock Portfolio Size	136,000		1,037,000	
TOTAL	**6,483,000**		**20,232,000**	
Median Value of Stock Portfolio	$2,063		$4,917	

Veteran shareowners more likely to have first acquired stock through stockbroker or dealer.

More than 45% of veteran adult shareowners made their first stock acquisition through a stockbroker or dealer; among new adult shareowners, this was true of only 36%. First acquisition through an employee stock purchase plan was about equally important to both groups—30% in each case.

The only other noteworthy finding in this area is the fact that roughly one out of every five veteran shareowners first acquired stock through gift or inheritance. This undoubtedly reflects a relatively large number of widows who inherited stock upon their husband's death.

Rate of increase in shareownership picks up since early 1979.

In the 48 months between the beginning of January 1975 and the end of December 1978, the number of new adult shareowners was growing by an average of 86,000 per month. After significant capital gains tax reductions, the rate of increase in the 18 months from the beginning of 1979 through the middle of 1980 rose to more than 130,000 per month.

Among veteran shareowners, the great bulk—more than 45%—came into the market during the 'Sixties. During the very difficult markets in the first half of the 'Seventies, only 3.6 million of the veterans made their first stock acquisition. Some of them may have come into the market in the early years of the period, dropped out and returned in the latter part of the period. A surprisingly large number, 7.4 million, have been shareowners off and on for over 20 years.

New vs. Veteran Adult Shareowners of Public Corporations by METHOD OF FIRST ACQUISITION

Mid-1980

	New Shareowners		Veteran Shareowners	
Method of First Acquisition	Number	Percent of Total	Number	Percent of Total
Stockbroker or Dealer	2,271,000	36.0%	8,786,000	45.5%
Employee Stock Purchase Plan	1,906,000	30.2	5,734,000	29.7
Gift or Inheritance	807,000	12.8	3,759,000	19.5
Insurance Agent	515,000	8.2	385,000	2.0
Company Bonus	481,000	7.6	341,000	1.8
Bank	420,000	6.7	550,000	2.8
Other Means	113,000	1.8	217,000	1.1
Sub-Total*	6,303,000	103.3%	19,318,000	102.4%
Not Classified by Method of First Acquisition	180,000		914,000	
TOTAL	**6,483,000**		**20,232,000**	

* Totals exceed 100% because some stockowners named more than one "first means" of acquisition.

New vs. Veteran Adult Shareowners of Public Corporations by YEAR OF FIRST ACQUISITION

Mid-1980

	New Shareowners		Veteran Shareowners	
Year of First Acquisition	Number	Percent of Total	Number	Percent of Total
January to June 1980	679,000	10.0%	—	—
July to December 1979	896,000	13.8	—	—
January to June 1979	778,000	12.0	—	—
January 1975 to December 1978	4,130,000	63.7	—	—
Between 1970 and 1974	—	—	3,595,000	17.8%
Between 1960 and 1969	—	—	9,241,000	45.6
Prior to 1960	—	—	7,396,000	36.6
TOTAL	**6,483,000**	**100.0%**	**20,232,000**	**100.0%**
Median Number of Months since First Acquisition	30 Months (2 Years, 6 months)		236 Months (19 Years, 8 Months)	

Methodology

Background

The New York Stock Exchange's 1980 Survey of Shareowners is the eighth in a series of studies conducted to enumerate shareowners in the United States and profile their demographic and financial characteristics.

For the first time, the Exchange's shareownership study relied *entirely* upon a direct stockowner survey in which household members were asked whether they own stocks in publicly-owned corporations. In prior years, the Exchange estimated the number and geographic distribution of shareowners using an alphabetic-interval ("alpha-seg") sampling of investor names from the records of cooperating corporations and brokerage firms. This technique was extremely efficient when the incidence of shareownership was relatively low. After selecting a subsample of the investor names from the records, a telephone survey was then employed to obtain shareowner characteristics.

Processing the thousands of corporate records became increasingly unwieldy as the number of publicly-owned corporations grew to exceed 12,000 in recent years. By 1975, processing had reached a quarter-of-a-million records. Moreover, as the number and incidence of shareowners grew, direct surveying became economically feasible.

Verification Study

Before undertaking a direct survey, the Exchange commissioned Brehl & Associates, Great Neck, New York, to verify the applicability of such techniques for estimating and profiling shareowners. Brehl proposed and executed a verification study designed carefully to cross-validate claims of shareownership or non-shareownership, using extensive telephone interviewing together with follow-up mail questionnaires. In all, more than 1,160 telephone interviews were completed and 666 follow-up mail questionnaires returned for analysis in a seven-month effort spanning October 1979 to May 1980. A total of 37 public corporations and mutual funds and 13 national, regional, and local brokerage firms participated (see Acknowledgements on Page 27).

The result was confirmation of the proposed methodology and, most important, a set of correction factors to adjust claims of shareownership by households and individuals within households. The effects of the correction factors derived from the verification study were to reduce the claimed number of shareowning households, but to increase the number of individual owners within such households. Overall, the *net* result in terms of weighting is a *reduction* in shareowners.

1980 Shareowner Survey

To conduct its full-scale 1980 survey, the Exchange retained Chilton Research Services of Radnor, Pennsylvania, which, in addition to acknowledged marketing research expertise, had prior shareownership survey experience. Thomas T. Semon, research consultant in marketing, undertook responsibility for applying the correction factors and methodology developed in the Brehl verification study and for weighting the survey results. In addition, Mr. Semon, one of the statisticians responsible for the Exchange's original 1952 shareownership methodology, acted as consultant for the geographic distribution of shareowners.

Using random digit dialing, Chilton Research contacted 9,800 individuals and completed telephone interviews with 7 138 respondents. Of these, 1,837 were shareowners, and 5,301 non-owners. A subsample of 1,652 individuals, 819 of them shareowners, returned a detailed follow-up mail questionnaire which delved into key aspects of both individual and household shareownership characteristics and investment behavior.

All of the 1980 survey figures are precise within certain sampling tolerances. For example, chances are 95 in 100 that the estimate of 29,840,000 individual shareowners will not vary by more than ± 1.4 million, that is the number of shareowners could be as high as 31.2 million or as low as 28.4 million. For other data in this survey, the sampling tolerances are accurate within ± 2% to ± 4%.

Reliability of Survey Percentages

Results of any sample are subject to sampling variation. The magnitude of the variation is measurable and is affected by the number of interviews and the level of the percentages expressing the results.

Table A shows the possible sample variation that applies to percentage results reported in this study. The chances are 95 in 100 that results would not vary, plus or minus, by more than the indicated number of percentage points from the result that would be obtained if the interviews were repeated using the same sampling procedures.

Sampling Tolerances when Comparing Two Subsamples

Tolerances are also involved in the comparison of results from different parts or groups of any one sample. A difference, in other words, must be of at least a certain size to be considered statistically significant. Table B is a guide to the sampling tolerances applicable to such comparisons.

Geographic Distribution of Shareowners

Geographic data for the 1980 shareowner survey are the result of an independent analysis. Each Standard Metropolitan Statistical Area (SMSA) and non-SMSA portions of states in the United States was allocated a part of the 29,840,000 shareowners on the basis of concentration of known shareowner indicators within its boundaries. The indicators chosen emerged as dominant from among many factors analyzed for correlation with prior NYSE shareowner distributions. The key indicators were total population in the area, number of households with incomes of $25,000 or more, persons aged 50 years or older, and number of registered representatives in offices within the area. State and regional totals were derived by combining the number of shareowners in these SMSAs and non-SMSAs.

For geographic data, chances are two-to-one that estimates are accurate within ± 11.5%. For example, where shareowners for a geographic area are estimated to be 150,000, chances are two-to-one the data are actually no higher than 167,000 and no lower than 133,000.

Table A

Approximate Sampling Tolerances Applicable to Percentages at or near These Levels*

Size of Sample on Which Survey Result Is Based	10% or 90%	30% or 70%	50%
2,000 interviews	± 2%	± 3%	± 3%
1,500 interviews	± 2	± 3	± 3
1,200 interviews	± 2	± 3	± 3
1,000 interviews	± 2	± 4	± 4
800 interviews	± 3	± 4	± 4
500 interviews	± 3	± 5	± 5
250 interviews	± 5	± 7	± 8
100 interviews	± 7	± 11	± 12

*Based on 95 chances in 100

Table B

Differences Required for Significance at or near These Percentage Levels*

Size of Samples Compared	10% or 90%	30% or 70%	50%
2,000 and 2,000	2%	4%	4%
1,000 and 1,000	3	5	6
1,000 and 500	4	6	7
500 and 500	5	7	8
500 and 200	6	9	10
200 and 200	7	11	12
200 and 100	9	14	15
100 and 100	10	16	17

*Based on 95 chances in 100

Acknowledgements

The New York Stock Exchange wishes to extend thanks for the success of its 1980 Survey of Shareowners to the thousands of people who were willing to respond by telephone and mail and to the many participating corporations and securities industry organizations, especially the following:

Corporations and Stock Mutual Funds:
AMF Inc.
Aegis Corp.
Affiliated Fund, Inc.
Airlift International
American Brands, Inc.
American Financial Corp.
California Water Service
Cincinnati Bell Inc.
Cincinnati Gas & Electric Co.
Citizens & Southern National Bank, Ga.
Combined Insurance Co. of America
Eastman Kodak Co.
Energy Reserves Group, Inc.
Flagship Banks, Inc.
Florida Power Corp.
General Motors Corp.
General Telephone & Electronics Corp.
Houston Oil & Minerals Corp.
Intel Corp.
Investment Co. of America
Investors Stock Fund, Inc.
Levi Strauss & Co.
Lockheed Corp.
Mobil Corporation
Procter & Gamble Co.
Reynolds Metals Co.
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Teledyne, Inc.
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Trans World Corp.
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Walt Disney Productions
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Brokers and Dealers:
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Paine, Webber, Jackson & Curtis Inc.
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Shearson Loeb Rhoades Inc.
Smith Barney, Harris Upham & Co. Inc.
Thomson McKinnon Securities Inc.

Exchanges and Associations:
American Stock Exchange
National Association of Securities Dealers
Investment Company Institute

Additional Shareownership data are available.

As a result of the "Shareownership 1980" survey, the NYSE's Survey Research Department has compiled a comprehensive data bank on U.S. shareownership. Detailed information on shareownership, including extensive demographic and financial data are available upon request at various prices, depending upon the amount and complexity of the data requested.

Continuing a service first offered in 1975, the Survey Research Department is also working with listed companies to develop customized studies of their stockholder families. Through these studies, participating listed companies can obtain detailed information about their current stockholders which can help them better understand these present stockholders and more effectively plan strategies to attract new individual investors.

Copies of the shareownership reports, as well as information regarding additional data or services, are available through the Survey Research Department.